

Message Text

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PASS AGRICULTURE

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SUBJ: NEW MINISTER OF AGRICULTURE SPEAKS OUT

1. SUMMARY: INDONESIA'S NEWLY APPOINTED MINISTER OF AGRICULTURE PROFESSOR SOEDARSONO IN A NEWSPAPER INTERVIEW PRESENTED SOME FRANK AND OCCASIONALLY TRENCANTLY CRITICAL VIEWS ON DEVELOPMENTS IN, THE AGRICULTURAL SECTOR. INTER ALIA, HE NOTED THAT MORE MUST BE DONE TO HELP THE SMALL LANDHOLDERS AND LANDLESS, LAND REFORM SHOULD BE IMPLEMENTED, AND THE LAND TAX REVISED. HE AGREED WITH A WASHINGTON ADVISOR THAT INDONESIA COULD NOT BE SELF-SUPPORTING IN FOOD PRODUCTION BEFORE 1985, NOTED REQUIREMENT TO DEVELOP NEW LAND AND TRAINING IN AGRICULTURAL TECHNOLOGY, AND POINTED TO NEED FOR VARIATION IN DIET. HE FOUND SERIOUS FAULT WITH THE EXECUTION OF AGRICULTURAL CREDIT PROGRAMS, AND WITH MANY ASPECTS OF TRANSMIGRATION. END SUMMARY.

2. A QUIET, MILD-MANNERED BUT INTELECTUALLY RESPECTED PERSON, THE NEWLY APPOINTED MINISTER OF AGRICULTURE SOEDARSONO SPOKE OUT IN QUITE BLUNT AND SOMETIMES CRITICAL TERMS OF INDONESIA'S AGRICULTURE SITUATION IN A MARCH 29
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INTERVIEW WITH THE PROMINENT JAKARTA DAILY KOMPAS. SINCE SOEDARSONO'S VIEW WILL OBVIOUSLY HAVE AN IMPACT ON FUTURE GOI POLICY, THEY ARE REPORTED IN DETAIL BELOW.

3. SOEDARSONO BEGAN BY STRESSING THE PRINCIPLE THAT EVERYONE IN AGRICULTURE SHOULD RECEIVE SUFFICIENT INCOME AND THAT THE PRESENT UNBALANCED SITUATION SHOULD BE CORRECTED. SMALL-

HOLDERS AND ESPECIALLY LANDLESS LABORERS SHOULD BE OFFERED MORE OPPORTUNITIES TO WORK AND EARN MORE INCOME AS PLANS OF THE GOVERNMENT REQUIRE. AT THIS STAGE OF DEVELOPMENT, THE GOVERNMENT SHOULD FIND NEW JOBS FOR LANDLESS PEOPLE BY CREATING RURAL INDUSTRIES AND VILLAGE/COTTAGE INDUSTRIES. THE LANDLESS POPULATION IS GROWING IN PROPORTION TO THE POPULATION GROWTH IN RURAL AREAS, ESPECIALLY IN JAVA. RURAL POPULATION GROWTH ON JAVA IS MUCH GREATER THAN THE INCREASE IN FARM LAND WITH THE RESULT THAT INDIVIDUAL FARMS BECOME SMALLER AND SMALLER.

4. AS THE NEW MINISTER SOEDARSONO SAID HE MUST STUDY THE RICE ECONOMY, WHICH HAS TOP GOVERNMENT PRIORITY, BUT HIS MINISTRY'S ACTIVITIES REQUIRE MANAGEMENT OF OTHER AGRICULTURAL INDUSTRIES AS WELL.

5. HE SAID BECAUSE THE VERY SMALL FARMERS ARE WEAK FINANCIALLY, THEIR TECHNICAL ABILITIES DEVELOP SLOWLY. THERE IS NEED FOR THE POLITICAL WILL TO IMPROVE THE LOT OF THE SMALLHOLDERS. HE FEELS SURE THAT THE PRESENT GOVERNMENT WILL GIVE THE NEEDED POLITICAL SUPPORT TO WEAK FARMERS. THE GOVERNMENT'S AGRICULTURAL ORIENTATION IS FOCUSED ON THE (1) AGRICULTURAL INTENSIFICATION PROGRAMS (BIMAS AND INMAS), AND (2) TO EXPAND THE LAND AREA FOR AGRICULTURE. SOME OF THIS HAS BEEN REALIZED IN REPELITA II. IN HIS OPINION THE BUUD/KUD'S SHOULD FUNCTION AS AN "ENGINE OF THE COMMUNITY" TO IMPROVE SOCIAL AND ECONOMIC CONDITIONS, EARNINGS AND TO COMPLY WITH UNCLASSIFIED

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GOVERNMENT PLANS.

6. SOEDARSONO SAID HE AGREES WITH DR. LEON MEARS THAT INDONESIA CANNOT BE SELF-SUPPORTING IN FOOD PRODUCTION BEFORE 1985. HE SAID DR. MEARS' STATEMENT IS BASED ON FACTS AND FIGURES AND THAT GOI SHOULD CONCENTRATE EFFORTS AND PLANS ON THESE DATA. EVEN SO, THIS DOES NOT MEAN INDONESIA WILL AUTOMATICALLY BECOME SELF-SUFFICIENT IN FOOD BY THE END OF REPELITA III. THERE IS STILL LAND AVAILABLE FOR AGRICULTURE AND FARMERS NEED MORE TRAINING IN AGRICULTURAL TECHNOLOGY. THE INCREASE IN RICE CONSUMPTION IS A LOGICAL CONSEQUENCE OF IMPROVED INCOME OF THE POPULATION. AS INCOMES IMPROVE, PEOPLE SHOULD NOT ONLY EAT MORE RICE BUT SOYBEANS AND OTHER FOODS AS WELL WHICH ARE MORE NUTRITIOUS. HE SINGLED OUT SOYBEANS WITH A PROTEIN CONTENT OF 30 PERCENT (NOTE: U.S. DATA INDICATE AN AVERAGE 37.9 PERCENT PROTEIN CONTENT OF SOYBEANS). INDONESIANS SHOULD NOT HESITATE TO EAT CORN POINTING OUT IN AMERICA WITH ITS WEALTHY POPULATION, CORN IS STILL CONSUMED.

7. SOEDARSONO TOOK TO TASK THE PRACTICE OF BANK PEOPLE (BANK RAKYAT) IN COLLECTING BIMAS CREDITS. WHILE EVERYONE SHOULD PAY HIS DEBTS, THE BANK PEOPLE SHOULD TAKE INTO CONSIDERATION THE FARMER'S POSITION, THE OFF-SEASON (PACEKLIK) SEASON, AND

ESPECIALLY THOSE FARMERS WHOSE FINANCIAL POSITION HAD SUFFERED FROM THE WERENG PEST AND DROUGHT. THE FARMER SHOULD NOT BE FORCED TO SELL HIS LAND AND HOUSE TO PAY BIMAS DEBTS.

8. WHEN DROUGHT HITS FARMER CROPS, THE GOVERNMENT SHOULD TAKE IMMEDIATE STEP TO HELP SUCH FARMERS AND SHOULD INSTRUCT THE BANKS NOT TO PRESS THESE FARMERS TO REPAY THEIR LOANS.

9. SOEDARSONO FELT THE RICE ESTATES IDEA WAS FINE PROVIDING THE LOCAL FARMERS SOCIAL-ECONOMIC SITUATION WAS UNDERSTOOD. THE RICE ESTATE SHOULD SERVE AS A NUCLEUS OFFERING TECHNICAL TRAINING, KNOW HOW AND KNOWLEDGE TO LOCAL FARMERS AND ALSO BUY THE LOCAL FARMERS PRODUCTION.

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10. HE COMMENTED THAT THE DEVELOPMENT OF A SYSTEM TO GROW TIDAL RICE HAD THUS FAR PRODUCED LOW YIELDS. HE HOPED THIS EXPERIMENT WOULD RESULT IN BETTER YIELDS IN THE FUTURE.

11. SOEDARSONO UNDERSTANDS AND DOES NOT DENY THAT SOME BUUD MANAGERS ARE CORRUPT. HE SAID THERE ARE CORRUPT PEOPLE ELSEWHERE. CORRUPTION IN THE BUUD'S SHOULD BE WATCHED BY EVERYONE. IT IS NOT THE JOB OF THE EMPLOYEES OF THE DIRECTORATE GENERAL OF COOPERATIVES TO BE THE POLICEMEN OF THE BUUD'S. THIS IS THE JOB OF THE BUUD MANAGEMENT. WHEN CORRUPT PEOPLE ARE FOUND, THEY SHOULD BE DISCIPLINED IN THE COURTS. HE SAID THERE ARE TOO MANY UNNECESSARY LEVIES AND TAXES ON THE BUUD'S WHICH SHOULD BE ABOLISHED. IF THEY WERE, HE WAS CERTAIN THE BUUD'S COULD COMPETE WITH PRIVATE FIRMS. THERE SHOULD BE NO LEVIES AND TAXES WHEN BUUD'S BUY FROM FARMERS AND BULOG SHOULD PAY CASH FOR ALL PURCHASE FROM THE BUUD'S.

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12. SOEDARSONO SAID THE PRESENT PROGRAM OF TRANSMIGRATION DOES NOT COMPLETELY SUPPORT DEVELOPMENT PLANS BUT TENDS TO INCREASE POVERTY IN THE NEW LANDS. CONSEQUENTLY LOCAL GOVERNMENTS IN THE NEW LANDS ARE FACED WITH ADDITIONAL GROUPS OF POOR PEOPLE. TRANSMIGRANT CANDIDATES SHOULD HAVE THEIR TECHNICAL ABILITIES IMPROVED BEFORE THEY ARE MOVED. THE TRANSMIGRANT IS EQUIPPED ONLY WITH HOES AND PARANGS. SMALL TRACTORS AND OTHER MACHINERY SHOULD BE PROVIDED TO TRANSMIGRANT FARMERS BY THE GOVERNMENT. BUDGETS FOR TRANSMIGRANTS SHOULD ALSO BE REVIEWED. NINETY PERCENT OF THE

BUDGET IN THE PAST WAS FOR TRANSPORT, EXPLORING THE NEW LAND AND TO COVER LIVING COSTS IN THE FIRST YEAR. THE TRANSMIGRANT CANDIDATE SHOULD BE FULLY INFORMED IN ADVANCE ON ALL ASPECTS OF LIVING CONDITIONS IN TRANSMIGRANT AREAS OUTSIDE JAVA.

13. AT PRESENT SOEDARSONO SAID TOO MANY PEOPLE OWN TOO MUCH LAND CONTRARY TO THE BASIC AGRARIAN LAW. HE SAID PEOPLE ARE AFRAID TO IMPLEMENT THE AGRARIAN LAW BECAUSE IF THEY PRESSED TOO HARD, THEY WOULD BE LABELED AS COMMUNISTS. IF THE LAW HAS WEAKNESSES, IT SHOULD BE STRENGTHENED.

14. THE IPEDA LAND TAX SHOULD BE REVISED. IT IS UNFAIR TO TAX ALL TYPES OF LAND THE SAME. THE FARMER WITH POOR LAND SHOULD PAY LESS THAN THE FARMER WITH RICH SOILS.

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15. THE PRESENT ECONOMIC SYSTEM OF THE NEW ORDER GOVERNMENT ENCOURAGE S ECONOMIC DEVELOPMENT WITH LITTLE GOVERNMENTAL INTERFERENCE IN MANY ECONOMIC FIELDS. BUT STILL A LARGE NUMBER OF PEOPLE DO NOT HAVE THE CHANCE TO DEVELOP THEIR ECONOMIC OPPORTUNITIES. IN THE PRESENT ECONOMIC SITUATION THE STRONG ECONOMIC GROUPS WILL WIN AND LEAVE THE WEAK ECONOMIC GROUPS BEHIND. SOEDARSONO SAID THE GOVERNMENT ENCOURAGE S FARMERS TO PRODUCE MANY TYPES OF HANDICRAFTS BUT THE MARKETS ARE LIMITED. IT WOULD BE BETTER TO TRAIN COOPERATIVE MEMBERS TO PRODUCE DAILY HOUSEHOLD WARES FOR WHICH THERE IS AN URGENT NEED SUCH AS SOAP AND OTHER HOUSEHOLD WARES THAT CAN BE USED IN FAMILIES.

16. THE INTERVIEW ENDED WITH SOEDARSONO SAYING THAT IT WAS NOT AS PUBLIC OPINION THOUGHT THE INTENTION OF INPERSS DECREE NO. 2, 1978, TO CHANGE THE VILLAGE ECONOMY. THE DECREE WAS AIMED AT EXTENDING THE SERVICES PROVIDED BY THE BUUD/KUD AND TO MAKE THEM A STRONGER ECONOMIC

ORGANIZATION WITH BETTER MANAGEMENT AND GREATER EFFICIENCY. (NOTE: PRESIDENTIAL INSTRUCTION NO. 2, 1978, IS A SWEEPING DECREE INTENDED QUOTE STRENGTHEN, DEPLOY AND BRING UP THE BUUD'KUD'S IN ORDER THAT THEY REALY CAN BECOME THE MAIN FORA OF RURAL ECONOMICS ACTIVITY OWNED AND REGULATED BY ALL OF THE VILLAGERS THEMSELVES FOR THEIR NEEDS AND RURAL DEVELOPMENT PURPOSES END QUOTE. INPRES NO. 2 CONTAINS A SERIES OF INSTRUCTIONS DIRECTED AT SEVEN MINISTRIES, THE BANK OF INDONESIA, BULOG AND REGIONAL GOVERNORS TO ACCOMPLISH THE PURPOSE OF THE DECREE. BULOG FOR EXAMPLE IS INSTRUCTED TO DEVELOPED THE BUSINESS ABILITIES OF THE KUD IN THE SUPPLY AND DISTRIBUTION OF ESSENTIAL GOODS.)

17. IN A FURTHER INTERVIEW WITH THE INDONESIAN TIMES, SOEDARSONO
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IS QUOTED AS SAYING A TECHNOLOGICAL BREAKTHROUGH IS NEEDED TO OVERCOME THE AGRICULTURAL PROBLEMS OF THE COUNTRY. HE SAID A TECHNOLOGICAL BREAKTHROUGH IN AGRICULTURE OCCURS ABOUT EVERY TEN YEARS BUT NO SUCH BREAKTHROUGH HAD OCCURRED IN INDONESIA IN THE PAST DECADE. ALTHOUGH THERE HAD BEEN THE DEVELOPMENT OF HIGH YIELDING RICE VARIETIES, THESE VARIETIES PROVED TO BE VULNERABLE TO THE WERENG PEST. THERE IS THUS A NEED FOR CONSTANT RESEARCH TO DEVELOP BETTER VARIETIES SUITABLE FOR INDONESIA. QUOTE TECHNOLOGICAL INVENTIONS ARE NEVER PERFECT, THEREFORE, WE MUST CONTINUE TO DEVELOP AND INVENT BETTER TECHNOLOGIES. END QUOTE AS TO INDONESIAN FARMERS HE SAID THEY ARE VERY BACKWARD, LACK WILL POWER AND ACCEPT THINGS JUST AS THEY ARE. THEY ARE FRUSTRATED BECAUSE OF THEIR INCAPABILITIES AND NEED TRAINING TO IMPROVE THEIR SKILLS. HE STRESSED THE GOVERNMENT'S POLICY BASED ON A DEVELOPMENT PROGRAM ORIENTED TOWARDS SMALL SCALE FARMERS THROUGH AN INTEGRATED COMMUNITY APPROACH, INTEGRATED CREDIT PACKAGE AND INTEGRATED AREA PROGRAMS. FURTHER STUDY IS NEEDED OF THE RESULTS OF THESE PROGRAMS AND THE IMPROVEMENT OF VILLAGE COOPERATIVES WHICH SO FAR HAD BEEN BASED ON TRIAL AND ERROR.
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